

## REMARKS

Claim 16 was rejected under 35 USC 112 because it recited the limitation "said guarantee." In response, Applicant has amended claim 16 to read, "a guaranteed certain level of income." Applicant thanks the examiner for assuming that which the Applicant meant by the language "said guarantee" in the last office action.

Claims 1-16 were rejected under 25 USC 102(b) as being anticipated by Burgess (US Pat#5,966,693). In response, the Applicant has made several amendments to claims 1-16 that should more closely limit the present invention over Burgess.

Claim 1 has been amended to indicate that there is an irrevocable transfer of at least a portion of benefits from the owner or insured's existing insurance policy to an entity. Burgess does not have any irrevocable transfers, but rather, provides that an assignment is released when the loan is repaid. The Applicant believes the present invention as filed provides support for this limitation because there is nothing in the present invention as filed that states or infers any revocable transfer.

Claims 2-9 have not been amended because they depend either directly or ultimately from amended claim 1.

Claim 10 has been amended to read that a contract is provided to an owner or insured so that if said owner or insured pays a newly calculated lower or non-existent premium if the insured has deteriorated health, then the owner or insured's contract will remain in force. In Burgess, column 11, lines 41-46, Burgess explains exactly the opposite of the present invention, and reads, "additional factors are input as conventionally applicable in the purchase and sale of life insurance, such as the

employee's age and any information relating to expected longevity (e.g., smoker or non-smoker, family history, fitness information such as blood pressure, cholesterol level, etc.)." In the present invention, as represented in amended claim 10, a lower or non-existent premium is associated with deteriorated health. Having a lower or non-existent premium associated with deteriorated health is contrary to Burgess because Burgess provides for "input as conventionally applicable in the purchase and sale of life insurance." Quite simply, in the present invention, worse health is not input as conventionally applicable, but is input contrary to convention.

Claims 11-15 have not been amended because they depend directly from amended claims 1 or 10.

Claim 16 has been amended as aforementioned, and has not been further amended because it depends directly from amended claim 10.

Claim 17 was rejected under 35 USC 102(b) as being anticipated by Finrock et al. (US Pat#5,592,379). Claim 17 has been amended to emphasize that a payout occurs when the person having insurance lives longer than an agreed upon period of time. The Applicant believes claim 17 to now be distinguished from Finrock et al., as Finrock et al. requires the death of the person having insurance, unlike the present invention.

Applicant petitions for any extensions of time necessary. Please charge all fees due and owing to Deposit Account No. 500356 in the name of A + Legal Services - Greenberg & Lieberman.

I hereby certify that this amendment and response was mailed via first class US Postage prepaid to Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on November 4, 2005.

Respectfully submitted,



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